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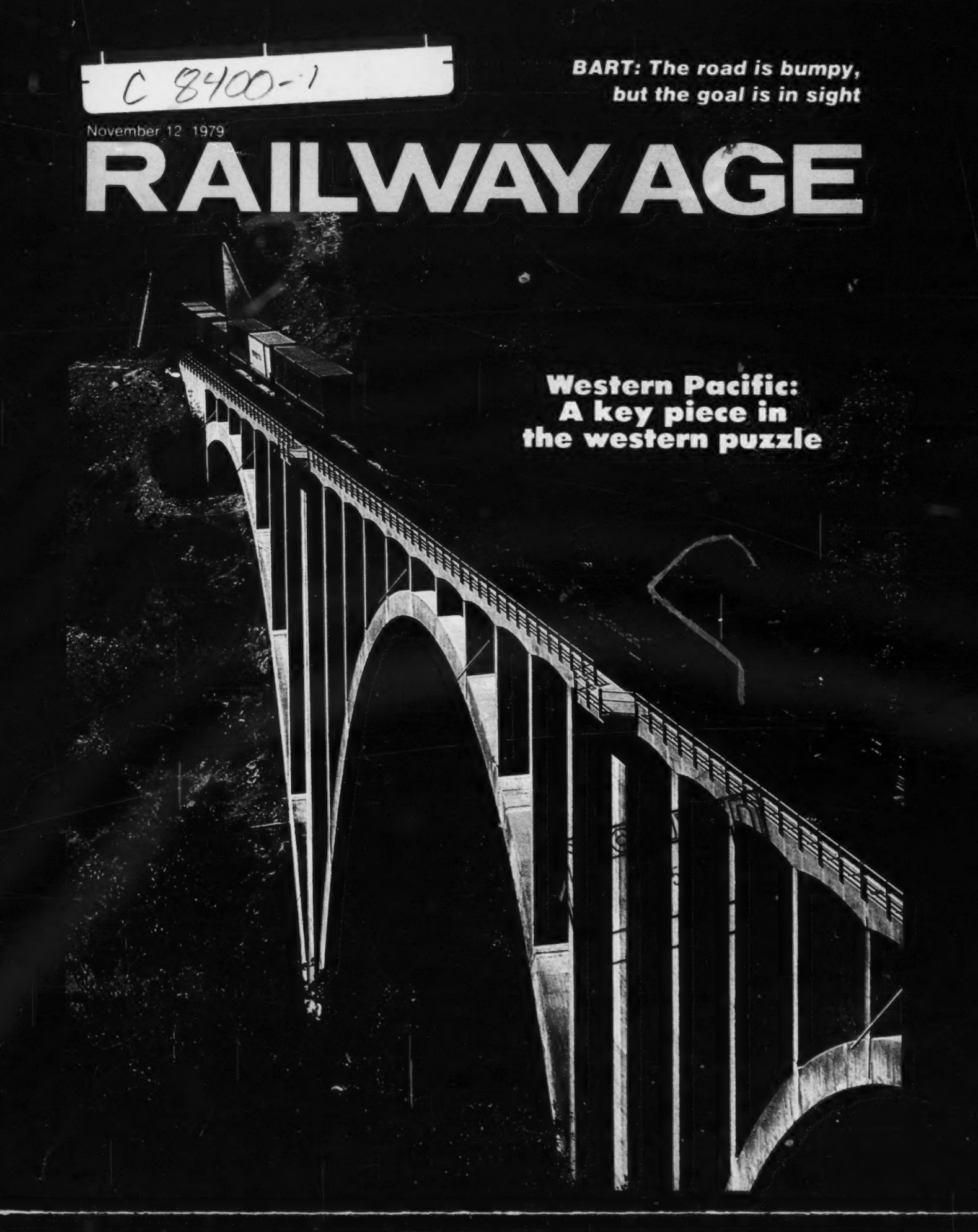
BART: The road is bumpy, but the goal is in sight

November 12 1979

RAILWAY AGE



Western Pacific: A key piece in the western puzzle

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Inside

LUTHER S. MILLER

WP: A FEATHER IN WHOSE CAP?

It isn't every railroad president who will bluntly—even cheerfully—predict the demise of his company. But Western Pacific President Robert G. Flannery is one who does just that. He told *Railway Age* Associate Editor Frank Malone in a recent interview: "I think a large number of the small railroads are going to disappear, including WP." Flannery is, of course, only facing up to what most railroad people believe is the inevitable restructuring of the nation's rail carriers into half a dozen large, strong systems.

If WP seems to be talking like a railroad that is going out of business, it certainly isn't acting like one, as Malone makes clear in his cover story beginning on p. 16. When the time comes to strike a bargain with another railroad, WP wants to be in the strongest possible position, and every corporate effort—especially in marketing and industrial development—is being aimed at that goal. That the WP expects to maintain its present identity for some time to come is also suggested by the fact that it is now painting a new logo on its freight cars and locomotives. The logo is a stylized feather, a reminder to all that the WP 70 years ago achieved a comparatively easy crossing of the Sierra Nevada through the Feather River Canyon.

Fifteen years ago, the Santa Fe and the Southern Pacific waged a bitter fight for control of WP. It was a fight that neither won. In February 1965 the ICC turned down both bids.

In view of the strengthened SP system that would result from that railroad's proposed acquisition of a big chunk of the Rock Island, from St. Louis to Santa Rosa, near Tucumcari, N. M., Flannery suggests that the Union Pacific might find a takover of WP to be a useful counter move.

Western Pacific earlier this year was purchased from parent Western Pacific Industries in a complex deal engineered by the railroad's management. This led to a widespread belief that the WP, like Chicago & North Western, was to become an employee-owned railroad. Not so. The railroad is controlled by its management through the device of a Class B common stock, of which Flannery is the majority holder; but its Class A stock is publicly held and traded.

KEEPING U.S. CARBUILDERS IN BUSINESS

In our Watching Washington column Oct. 29 (p. 10), we reported that Congress, with great reluctance, had agreed to let Amtrak go shopping offshore for new locomotives and passenger cars, if the desired equipment could not be purchased in the U.S. "within a reasonable time." Early in November, the Senate made a move calculated to insure that future orders remain within the U.S. In an action that some observers said was unprecedented, the Senate voted to permit Amtrak to commit money now from its fiscal 1982 budget toward the purchase of 200 low-level passenger cars, 39 locomotives, and an undetermined number of self-propelled cars. Senator Birch Bayh (D.-Ind.) said on the Senate floor: "One of the real problems we have right now is that, if we are not very careful, we will not have any American companies in the transit business. One of the things we can do to insure a sounder transit industry from the standpoint of production, and the production of transportation components, is to make it possible for them to have longer-term contracts." Bayh also said: "I'm getting a little tired of spending American taxpayers' dollars in putting Italian transit workers to work, with all due respect to our Italian friends."

The Senate action—which required House concurrence—would permit Amtrak to commit $148.1 million from its 1982 capital budget for equipment ordered this year or next.

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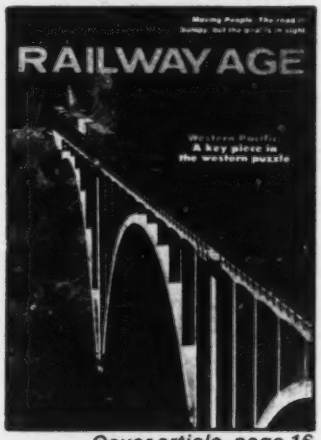
FEATURES



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President and CEO Robert Flannery believes the name of the newly reorganized WP is destined to disappear and its physical plant to be incorporated into a single West Coast-Midwest line. Meantime, his aim is "to run just as healthy and independent railroad as we can."

21 Railview: Ratemaking revolution at the ICC

Pointing out that ICC is changing its policy, to get out of the business of running railroads and let the marketplace function, Commissioner Betty Jo Christian discusses further ratemaking changes that are in the offing.

24 FAST track: Making way for more realistic testing

Portions of the FAST track at Pueblo have been rebuilt to permit new and more accurate kinds of testing of track components. Photos show the reconstruction work in progress.

28 BART: The road is bumpy, but the goal is in sight

After a near-disastrous fire and despite a service-curtailing labor dispute, San Francisco's BART keeps working to step up both the safety and reliability of its service.

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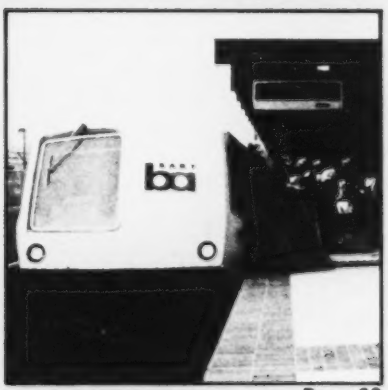

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COVER: A Western Pacific "TOF" train moves east over the Feather River at Poe, Calif., five miles west of Pulga.

Market

CARLOADINGS

Loadings of revenue freight in the week ended Oct. 20 totaled 489,377 cars, according to the Association of American Railroads. This was a decrease of 15,058 cars, or 3.0%, compared with the corresponding week last year. Ton-miles generated by carloadings in the week ended Oct. 20 are estimated at 18.5 billion, a decrease of 0.1% below the corresponding week of 1978.

REVENUE FREIGHT CARLOADINGS

Commodity	Oct. 20 week	Oct. 13 week
Grain	31,321	33,823
Farm products	6,197	5,311
Metallic ores	36,585	34,701
Coal	114,243	115,641
Crushed stone, gravel & sand	17,737	18,542
Nonmetallic minerals	15,847	16,120
Grain mill products	17,785	18,066
Food and kindred products	19,648	18,930
Primary forest products	22,020	20,970
Lumber & wood products (except furniture)	11,327	11,807
Pulp, paper & allied products	20,973	21,155
Chemicals & allied products	28,355	27,387
Petroleum products	6,200	6,148
Stone, clay & glass products	19,172	19,590
Coke	6,730	6,621
Metals & products	18,576	17,429
Motor vehicles & equipment	22,326	21,602
Waste & scrap materials	13,858	13,797
Forwarder & shipper assn. traffic	13,216	12,848
All other carloads	46,873	45,324
LCL traffic	388	429
Total cars loaded	**489,377**	**486,241**

Cumulative total,	1979	1978
42 weeks	19,388,257	18,695,939
Estimated revenue ton-miles (billions)		
42 weeks	725.7	685.5

PIGGYBACK LOADINGS

U.S. piggyback loadings for the week ended Oct. 13 totaled 36,657 cars (4.0% below the corresponding 1978 week) and 64,918 trailers or containers (down 1.1% from 1978). Cumulative volume for the first 41 weeks of 1979 is 1,472,697 cars (up 2.0% from 1978) and 2,598,980 trailers or containers (up 4.2% from 1978).

CANADIAN CARLOADINGS

Canadian railway revenue freight loaded in the seven-day period ended Oct. 7 totaled 5.6 million tons (up 2.6% from 1978). Cars loaded totaled 83,294 (up 2.1% from 1978). Cumulative loadings for 1979 were up to 201.2 million tons (up 10.8% from 1978).

● *Amtrak.*—Directors approved expenditure of up to $31.6 million for the purchase of 30 new diesel-electric locomotives with special generators needed for the system's growing fleet of all-electric passenger cars. Delivery of the new units will bring Amtrak's total fleet of diesel-electrics equipped to supply head-end power to 193. Amtrak says it currently projects a requirement of 235 such diesels needed for conversion of the entire system, including new trains that are expected to be added as state-supported (403b) services.

● *Amtrak.*—Will spend $2,942,178 to upgrade and modernize 12 former Chicago & North Western bilevels for push-pull operation in Chicago-Valparaiso and Detroit-Jackson commuter services. The cars will be modified to make them compatible with the all-electric Amfleet cars. Cab controls and head-end equipment will be installed on four cars.

● *Conrail.*—Placed orders for 126 new 3,000-hp diesel-electric locomotives, valued at $87.4 million, for delivery in 1980. EMD will supply 101 units and General Electric 25. By the end of 1979, says Conrail President Stuart M. Reed, the railroad will have acquired a total of 657 new locomotives since it began operations in April 1976, and overhauled, rebuilt, or converted about 3,000 more.

● *Fort Worth & Denver/Colorado & Southern.*—Burlington Northern directors have approved purchase of equipment valued at $7.4 million for the two subsidiaries. FW&D will receive 100 100-ton covered hopper cars, 10 steel cabooses, 10 air-dump cars, and 10 ballast cars; C&S will get 20 100-ton insulated boxcars. Total BN system equipment expenditures for 1980 now add up to $320.7 million.

● *Grand Trunk Western.*—Delivery of 200 XF 50-foot boxcars, built by National Steel Car of Hamilton, Ont., is being completed this month, rounding out the largest rolling stock program in GTW's history. During 1978, the railroad committed $33.6 million for the acquisition of 565 cars and 20 diesel-electric units. Earlier this year, GTW accepted delivery of 74 enclosed bilevel and 40 enclosed trilevel cars with racks installed by Whitehead & Kales; 100 covered hopper cars built by Pullman Standard; and 150 XM general service boxcars built by National Steel Car.

● *Thrall Car.*—Will build 500 100-ton grain covered hopper cars for its leasing subsidiary, Transportation Corporation of America. These cars will join an existing group of jumbo covered hoppers leased by TCA this year to grain companies and farm cooperatives. The 500 cars will be produced at a rate of 40 a week and are scheduled for delivery in third quarter 1980.